

10 South Waverly Street
Shillington, PA 19607-2642
T: 610-775-1461 F: 610-775-6586
www.GovernorMifflinSD.org
An equal opportunity educational institution



Governor Mifflin School District

Steven M. Gerhard, Ed.D.
Superintendent
Elizabeth A. Lambi, Ed.D.
Assistant Superintendent, Secondary Education
William L. McKay
Assistant Superintendent, Elementary Education
Diane J. Richards, CPA
Chief Financial Officer

February 12, 2018

Letter of Appeal

Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: COMAD Letter of Appeal – Rescission of E-rate Funding from FY 2001

Appeal Denial Letter Date – December 15, 2017

Applicant Name: Governor Mifflin School District

Billed Entity Number: 126271

Form 471 Application Number: 234111

Funding Request Number: 547639

Summary:

USAC issued a COMAD letter on June 5, 2017 stating that they were rescinding \$50,704 from the District because the District “purchased” a WAN in FY 2001 (17 years ago). The District vehemently disagrees with this decision. The District was leasing the WAN until FY 2007 when the fiber was purchased by the District. The District submitted an appeal to USAC which was denied on December 15, 2017.

Background:

In 2001, the District contracted with MAW Communications for use of broadband circuits. [See EXHIBIT 1] The district was charged an installation of fee of \$123,760 and also a monthly lease charge of \$250. The District continued to lease the broadband circuits from MAW from 2001 until 2007 when the contractual relationship ended with the vendor due to a disagreement.

A settlement agreement was reached between MAW and the District in 2007 and the District purchased the fiber from MAW. [See EXHIBIT 2] After that, no monthly lease charges were incurred, nor did the District continue to request E-rate funding for the WAN. At no time from 2001 up to the settlement in 2007 did the District own the broadband circuits. These circuits were leased from MAW Communications during that time period.

Although irrelevant because the District fully disagrees with USAC's conclusion, the District believes that asking us to repay \$50,704 17 years later is unfair. Every staff member who was involved in these transactions has since left the District and there is very little institutional knowledge related to this topic. Certainly, the new expanded 10-year document retention requirements should not cover transactions from more than 17 years ago.

Thank you for your consideration of this appeal. If you have any questions, please contact:

Mr. Brian Patton

Director of Technology

Governor Mifflin School District

10 S. Waverly St.

Shillington, PA 19607

(610) 775 1461 x6636

(610) 775 6586 fax

brian.patton@gmsd.org

Sincerely,



Diane J. Richards, CPA

Chief Financial Officer

cc: U.S. Senator Bob Casey, Jr.
U.S. Senator Pat Toomey
U.S. Congressman Ryan Costello

Diane Richards
Governor Mifflin School District
10 South Waverly Street
Shillington, PA 19607-2642

Billed Entity Number: 126271
Form 471 Application Number: 234111
Form 486 Application Number:



Administrator's Decision on Appeal - Funding Year 2001

December 15, 2017

Mark R. Naylor
Governor Mifflin School District
10 South Waverly Street
Shillington, PA 19607-2642

Re: Applicant Name: Governor Mifflin School District
Billed Entity Number: 126271
Form 471 Application Number: 234111
Form 486 Application Number:
Funding Request Number(s): 547639
Your Correspondence Dated: August 2, 2017

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2001 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 547639
Decision on Appeal: Denied
Explanation:

On June 5, 2017 USAC issued a Commitment Adjustment Letter for FRN 547639. It was determined that funding was provided for ineligible WAN constructed or purchased using E-rate Funds. In your appeal you argue that the WAN was leased from 2001-2007 and no E-Rate funds were used to build it, however, in prior responses during legal review you stated that E-rate dollars were used to build the WAN and recovery should occur. The documentation and rationale in the appeal provides no merit, therefore, your appeal is denied.

Since your appeal has been denied in full, partially approved with funding denied, dismissed, or canceled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

CC: Frank Wiczowski
MAW Communications
PO Box 978
Reading, PA 19603

10 South Waverly Street
Shillington, PA 19607-2642
T: 610-775-1461 F: 610-775-6586
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Governor Mifflin School District

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Assistant Superintendent, Elementary Education
Diane J. Richards, CPA
Chief Financial Officer

August 1, 2017

Letter of Appeal
Schools and Libraries Program—
Correspondence Unit
30 Lanidex Plaza West
PO Box 685
Parsippany, NJ 07054-0685

Re: Letter of Appeal
Date for Notification of Commitment Adjustment Letter—June 5, 2017
Funding Request Number: 547639
Billed Entity Name: Governor Mifflin School District
Form 471 Application Number: 234111
Billed Entity Number: 126271
FCC Registration Number: 0012671756

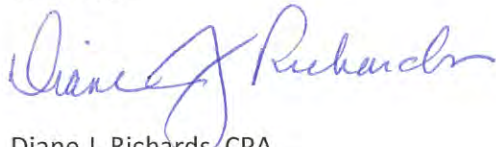
This letter serves as notification that the District is appealing the Funding Commitment Adjustment Report for Form 471 Application Number 234111 that was dated June 5, 2017. In that notification it was stated that USAC felt the funding commitment needed to be rescinded in full because it was determined that WAN was constructed or purchased using E-rate funds.

In 2001 the District contracted with MAW Communications for internet service (see Exhibit 1 attached). As compensation for this service the District was charged an installation fee of \$123,760 and also a monthly lease charge of \$250. The District continued to lease internet services from MAW from 2001 until 2007 when the relationship ended due to a disagreement. A settlement agreement was reached between MAW and the District at that time in 2007 and a copy of that settlement agreement is attached (Exhibit 2). At no time from 2001 up to the settlement in 2007 did the District own its internet lines but continued leasing those from MAW.

If you have any questions in regards to this please contact:

Mr. Brian Patton
Director of Technology
Governor Mifflin School District
10 S. Waverly Street
Shillington, PA 19607
(610) 775-1461 x6636
(610) 775-6586 fax
Brian.patton@gmsd.org

Sincerely,



Diane J. Richards, CPA
Chief Financial Officer

cc: MAW Communications

TELECOMMUNICATIONS SERVICES

AGREEMENT

THIS TELECOMMUNICATIONS SERVICE AGREEMENT is made and entered into by and between The Governor Mifflin School District ("Client") having its principal place of business at 10 South Waverly Street, Shilington, PA 19607 and MAW Communications Inc. (R Telco), having its principal place of business at PO Box 684 Fleetwood, Pennsylvania, 19522-0684.

WITNESSETH

In consideration of the promises and covenants herein contained and intending to be legally bound hereby, the parties hereto agree as follows:

1. SERVICE:

Upon the terms and conditions hereinafter set forth, R Telco agrees to service and maintain the Telecommunications service described in Exhibit A hereto ("Service"). Client shall accept the Service as soon as it has been installed and is operational ("Cutover"). Client may request additions or modifications to the Service prior to Cutover by executing field change orders specifying such additions or modifications. The following person(s) are authorized to execute change orders on Client's behalf:

Dr Becker, Mark Naylor

In the event of any additions or modifications, R Telco and Client may execute an amendment to this Agreement within ten (10) days after Cutover.

2. INSTALLATION:

R Telco agrees to fully and completely install the Service and provide all cable, labor, parts, and services necessary and incidental to said installation of Telecommunications Service, as per the terms and conditions set forth in Exhibit A hereto. Installation shall be performed by qualified, trained personnel in a good and workmanlike manner. Client shall provide all electrical conduit, wiring, outlets and power required to install the Service and shall be responsible for any costs or expenses of any electric utility incurred in connection with installation of the Service and for any

structural alterations necessary for installation. The Service shall be installed at the following location ("Premises"):

GMSD Campus @ HS Library Node and GMSD IS Campus @ IS Node

3. TERM:

3.1 Service Term: The term of this Agreement shall commence on the effective date and, unless terminated as expressly provided for in this Agreement, shall continue until June 30, 2008. (hereinafter the "Service Term").

3.2 Rate Stability Plan: The Rate Stability Plan, as defined in Exhibit A shall govern those rates due and payable under Section 3.1 of this Agreement. Throughout the Term of this Agreement, R Telco guarantees the rates for service as described in Exhibit A. ("Monthly Charge") at the rate in effect on the Effective Date of this Agreement. If this Agreement is automatically renewed, according to the terms set forth in this agreement, R Telco reserves the right to increase or decrease the monthly cost for service to reflect the current expenses associated with maintaining the service. R Telco may, at its sole discretion, adjust the monthly rate for service one time, no earlier than one hundred and twenty (120) days and no later than ninety (90) days prior to the expiration date of this agreement.

3.3 Options of Client Upon Expiration of Service Terms: Upon expiration of the Service Term, Client shall have the following options with respect to the Service, provided that no Event of Default has occurred prior to said date:

- a) Unless Client notifies R Telco, in writing, within sixty (60) days of the expiration of the Service Term, that it does not wish to renew this Agreement, shall automatically renew for a Term equal to the original Term or 24 months, which ever is greater, on the expiration date of this Agreement.
- b) Disconnection of the Service from the Premises by R Telco. Client must notify R Telco sixty (60) days prior to the expiration date of this agreement.

3.4 Additional Service: Any additional Service as requested by Client, defined in Exhibit A, as an enhancement or addition to the original Agreement set forth in Exhibit A hereto shall be subject to the terms of this Agreement.

4. SERVICE:

4.1 Service Payments: During and throughout the Service Term, Client agrees to pay to R Telco or its assignee the Service Payments as set forth in Exhibit A hereto ("Service Payments"). The Service Payments shall be payable in advance commencing on the date of Cutover and continuing monthly. A Service Charge equal to the maximum amount allowable by law shall be charged against any account for payments not received within thirty (30) days of date of Invoice. Service Payments shall be absolute and unconditional in all events and shall not be subject to any set-off, defense, counterclaim, or recoupment for any reason whatsoever.

4.2 Change Orders: The total Service Payments, as defined in Exhibit A, are subject to change if any additions, deletions or change in Service are made pursuant to a written and signed amendment between R Telco and the Client.

4.3 Taxes: Client shall pay when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed on the possession or use of the Service. If Client is not subject to sales or other applicable taxes, it shall furnish R Telco with evidence of such exemption.

4.4 Universal Service: Client agrees to to pay R Telco the full monthly amount for service and agrees to submit all of the required documentation in a timely manner. R Telco agrees to credit the client's account the USF funds within thirty days of receipt of such funds.

5. LIMITATION OF LIABILITY:

The sole liability of R Telco for loss or damages arising out of mistakes, omissions, delays, errors, or defects in the service, not due to the negligence or misuse of R Telco, its employees, or agent shall not exceed an amount equivalent to the proportionate charge to Client for the period during which the mistake, omission, delay, error or defect in service occurred. R Telco is not liable for any act or omission of a third party or other non-R Telco provider of facilities for interruptions, errors, delays or defects in services when caused by or arising out of the design, construction or installation of the service, including but not limited to improper wiring, installation repair or alteration by anyone other than R Telco in no event shall R Telco be held liable for any loss or damage except specifically provided herein, for any injury or damage to persons or property arising out of Client's use of the service. R Telco, nor its affiliates or subsidiaries, assumes no liability for incidental, consequential, direct or indirect loss or damage (including without limitation bodily injury, loss of profits, loss of production or liability to any third party) or for any special or punitive damages of any nature whatsoever, arising from the services provided for herein.

6. WARRANTY:

The warranties and remedies set forth herein constitute the only warranties with respect to the service agreed to herein. R Telco disclaims all warranties, written or oral, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose.

R Telco warrants the service and its installation, to be in accordance with current industry standards. If a defect arises which is caused by R Telco's installation of the service, and provided such defect is not created or caused by the negligence or misuse of the Service by Client, R Telco shall endeavor to correct the defect without additional expense to the Client. If a defect is discovered in the technology used by R Telco to provide the Service, R Telco shall endeavor to correct the defect through the standard manufacturer's warranty in effect. In the event R Telco is unable to rectify the defect, as described herein, and provided such defect is not created or caused by the negligence or misuse of the Service by Client, and provided Client has provided R Telco thirty (30) days prior written notice of the defect, Client shall have the right to terminate this Agreement, provided no event of default has occurred and is continuing, upon prior written notice to R Telco, said termination to be effective upon receipt.

7. FORCE MAJEURE:

If during the performance of this Agreement, or any obligation thereunder, the service is interfered with by reason of any circumstances beyond the control of the party affected, including without limitation, fire, lightning, explosion or other casualty, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies: any law, order, regulation, ordinance or requirement of any government or legal body of any representative of any such government: or labor unrest including without limitation, strikes, slowdowns, picketing or boycotts: then the party affected shall be excused from such performance on a day-to-day basis.

8. INDEMNIFICATION:

Client shall indemnify R Telco and hold R Telco harmless from, any and all claims, actions, proceedings, expenses, damages or liabilities, including attorney's fees and court costs, arising in connection with Client's use of the Service.

9. ASSIGNMENT:

Without R Telco's prior written consent, Client shall not either (i) assign, transfer, pledge, hypothecate, or grant any security interest in or otherwise dispose of this Agreement or any interest in this Agreement or the Service, of (ii) sublet the Service or permit it to be used by anyone other than Client or Client's employees. R Telco may assign its rights, title and interest in and to this Agreement, the Service and any other documents executed with respect to this Agreement and/or grant or assign a security interest in this Agreement in whole or in part. Any assignees of R Telco shall have all of the rights of R Telco under this Agreement. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the successors and assigns

of the parties hereto. Upon assignment of R Telco's interest herein, R Telco shall provide written notice of such assignment to be sent to Client which shall be sufficient if it discloses the name of the assignee and address to which further payments hereunder should be made. No further action shall be required by R Telco or by the Client to evidence the assignment, but the Client shall acknowledge such assignments in writing if so requested.

10. TERMINATION:

a) Client shall have the right to terminate the Agreement prior to expiration of the Service Term upon ninety (90) days prior written notice to R Telco ("Early Termination"). Upon such Early Termination, Client shall remain liable for payment of any Service Payments due and owing at date of termination, as well as an Early Termination Fee equal to eighty-five percent (85%) of the remaining balance to the end of the Service Term. In addition, Client shall be liable for a \$150.00 administration fee ("Administration Fee") for processing such Early Termination.

b) R Telco shall have the right to terminate said Agreement prior to expiration of the Service Term upon the occurrence of any of the Events of Default set forth in Section 12 hereof.

c) In the event of a breach of this Agreement by either party, the non-defaulting party may terminate upon occurrence of said default. The non-defaulting party shall provide the defaulting party with thirty (30) days in which to cure. Failure to cure said default shall, at the option of the non-defaulting party, result in termination.

11. CONTINUATION OF SERVICE OPTION:

This Telecommunications Service Agreement shall automatically renew with all terms as set forth herein for a Term as described in 3.3.

12. EVENTS OF DEFAULT:

The Term "Events of Default" as used herein, means the occurrence of any one or more of the following events:

12.1 Client fails to make any Service Payment as it becomes due in accordance with the terms of this Agreement, and any such failure continues for sixty (60) days after the due date thereof.

12.2. Client fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by R Telco.

12.3 The discovery by R Telco that any statement, representation or warranty by Client in this Agreement or in any writing ever delivered by Client pursuant hereto or in connection herewith is false, misleading, or erroneous in any material respect.

13. REMEDIES:

Upon the occurrence of an Event of Default by Client, and as long as such Event of Default is continuing, R Telco may, at its option, exercise any or more of the following remedies:

13.1 By written notice to Client declare an amount equal to all amounts then due under this Agreement to be immediately due and payable.

13.2 In addition to the Service payments to be made to R Telco pursuant to Section 12.1 above, R Telco shall charge Client a \$150.00 administrative fee ("Administrative Fee") upon occurrence of any Event of Default. Payment therefore shall be due within 30 days of R Telco's Invoice date.

13.3 By written notice to Client, at Client's expense, promptly disconnect the Service.

13.4 Exercise any other right, remedy or privilege which may be available to it under applicable laws or proceed by appropriate court action to enforce the terms of this Agreement or to recover damages for the breach of this Agreement or to rescind this Agreement as to any or all of the Agreement.

In addition, Client shall remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses; including court costs, incurred by R Telco with respect to the enforcement of any of the remedies listed above or any other remedy available to R Telco.

14. MISCELLANEOUS:

14.1 Integration; Waiver: This Agreement, and any, and all Amendments hereto shall constitute the entire agreement of the parties hereto and correctly set forth the rights, duties and obligations of each to the other as of its date. No representation or statement made by any representative of R Telco not stated herein, and no provision in any purchase order or any other similar writing that may be submitted by Client to R Telco shall be binding upon R Telco. The waiver by R Telco of any breach by Client of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach thereof.

14.2 Governing Law: This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

14.3 Modification; Severability; Headings: This Agreement may be modified or changed only by written amendment signed by both parties. No provision of this Agreement which may be unenforceable shall in any way invalidate any other provision hereof. Headings used herein are

convenience of reference only and shall not affect the meaning or interpretation of any provision hereof.

14.4 Client agrees to assist R Telco in the acquisition of any easements that may be required to complete the installation of the service. Client further agrees to assist R Telco in the acquisition of any municipal permits and or local government approvals required to install the service. R Telco agrees to pay the costs associated with the acquisition of any required permits, easements or approvals required to install the service.

14.5 Client agrees to allow R Telco to utilize existing conduits and ducts, trench in open district property and or saw cut the Client's driveways and other paved surfaces as R Telco engineering requires to install the service. R Telco agrees to perform restoration services in the form of re-planting of unpaved areas and filling of any trenches / saw cuts.

14.6 Client agrees to allow R Telco to place poles on the district's property as required by R Telco to complete the installation of the service. Client shall have final approval of the location of any poles on district property. Rtelco shall maintain ownership of any poles placed during the installation of the service and shall carry insurance protecting the district from liabilities associated with the installation and ongoing maintenance thereof.

14.7 Client agrees to provide any drawings, access to facilities, and assistance that R Telco may require to complete the installation and ongoing maintenance of the service. R Telco agrees to endeavor to perform the installation and ongoing maintenance of the Service, with minimal disruption of the district's day to day activities.

14.8 Effective Date: This Agreement shall be effective beginning: 7/01/2001.

| | |
|-----------------------------------|---|
| MAW Communications Inc. (R Telco) | Client : Governor Mifflin School District |
|-----------------------------------|---|

Print Name FRANK T WICZEKOWSKI ^{3/16/01} Print Name Mark R. Naylor ³⁻¹⁶⁻⁰¹
(Date) (Date)

Title PRESIDENT Title Board Secretary

Signature [Signature] Signature [Signature]

Please sign on signature line and return original documents. One copy shall be returned to you with both parties' signatures.

Exhibit – A

Internet / Intranet Services shall be offered on a customized basis and shall be dependent upon the data transport services currently offered. The data transport services determine the bandwidth (speed) and reliability of the service offered to the customer.

R Telco shall offer new data transport services as new services become available and are proven to be viable within the R Telco network. R Telco reserves the right to change the delivery method of each offered service for “like or better” service.

Value Added Services

R Telco offers several adjunct services that are detailed below. These services expand and enhance the value added to our Intranet / Internet Service. Several of the R Telco services are included in the base price for Intranet / Internet service. These services are:

- Domain Name Service and registration under TheReal.net registered domain.
- Hardware & Software Maintenance as detailed below.

Fee Based Adjunct Services Offered by R Telco Include:

- Firewall / Filtered Internet Access Services
- Domain Name Services
- Web Hosting Services
- Virtual Private Networking Services
- Enhanced Telecommunications Services
- Professional Integration Services

Dedicated Intranet Service

R Telco shall warrant the service to the customer's router. R Telco shall provide a credit of \$98 for each network outage that lasts longer than 24 hours upon request. Network outages that last at least 24 hours and are outside of the R Telco network, shall be credited on a daily pro-rata basis. R Telco shall provide the customer a report of each network outage that lasts longer than 24 hours. R Telco shall be the final arbiters in all disputes regarding network outages.

R Telco shall provide the service to the customer's site and shall be responsible to maintain the service up to and including the R Telco specified router. Hardware maintenance shall be billed at \$150 per hour plus materials.

Maintenance of the network side of the router shall be included in the base service prices detailed below. The customer side of the router shall be billed at \$150 per hour plus materials. Network problems that originate from the customer side of the router shall be billed at \$250 per hour plus materials.

Telecommunications Services shall include:

| | Monthly |
|---|----------------|
| Dedicated Intranet Service (2 Locations) at 100 MBPS: | \$250.00 |

Installation fees shall be:

| | |
|--|---------------|
| Dedicated Intranet Service at 100 MBPS | \$123,760.00* |
|--|---------------|

* Note: An R Telco specified router is required at the customer's location, and is not included in the above installation costs. Integration services on the customer side of the router shall be billed at a rate of \$150.00 per hour.

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into this 30th day of March 2007, between The Governor Mifflin School District (hereinafter "GMSD") and MAW Communications, Inc. (hereinafter "MAW"), the parties herein.

WHEREAS, the parties entered into three separate agreements, each of which is entitled "Telecommunications Services Agreement," copies of which are appended to this Settlement Agreement as Appendices A through C and individually identified by appended cover pages titled "Voice Agreement," "Fiber Link Agreement," and "Internet Services Agreement," and which collectively are referred to here as "GMSD-MAW Services Agreements",

WHEREAS, as provided in the GMSD-MAW Services Agreements, MAW agreed to provide various telecommunications, fiber link, internet, and related services to GMSD and GMSD agreed to pay MAW for such services,

WHEREAS, for various reasons, the parties to this Settlement Agreement wish to terminate the GMSD-MAW Services Agreements on mutually agreeable terms,

GMSD AND MAW AGREE AS FOLLOWS:

1. Continuation of Voice and Fiber Link Services Until May 31, 2007. MAW agrees to continue to provide the services specified in the Voice Agreement and the Fiber Link Agreement through May 31, 2007 and, with the exception of payment for toll services, GMSD agrees to pay for such services through such date at the time of execution of this Settlement Agreement. Toll services from January 14, 2007 through May 31, 2007 will be invoiced in accordance with the rates set forth on Appendix D and will be paid by GMSD within 30 days of receipt of invoice for such services.
2. Internet Services Agreement. The Internet Services Agreement is considered terminated and GMSD owes no monies for any services under such agreement which have not been previously paid for, except to the extent that the settlement amount specified below may be considered by either party, in their discretion and for their own purposes, as payment for such services.
3. Settlement Payment. GMSD will pay MAW \$72,000 upon execution of this Settlement Agreement.
4. Transfer of Ownership of Fiber Link. GMSD will take all necessary legal and other steps to transfer ownership of the fiber link from MAW to GMSD. MAW will cooperate with GMSD's efforts and will sign paperwork required to complete this transaction to the extent that it is not in violation of any legal or

ethical requirements and to the extent that MAW is not being asked to make any false representations. MAW's cooperation will include executing documents, providing pole numbers, and sending letters to pole owners transferring MAW's interest in the poles serving the fiber link effective May 31, 2007. Upon execution of this Settlement Agreement, MAW will send, via certified mail, letters to the pole owners requesting the transfer of the Attachment Agreements pertaining to the fiber link poles to GMSD effective May 31, 2007. However, if GMSD is unable to consummate the transfer of ownership of the fiber link prior to May 31, 2007, MAW will advise the pole owners that the transfer of the Attachment Agreements for the fiber link poles will have to be postponed or otherwise modified.

To the extent that MAW is asked to expend time and/or effort beyond the aforesaid document execution, pole identification, and letter preparation tasks, MAW will advise GMSD if there will be any additional charges for such services and the estimated cost for such services and, if such services are authorized in writing, GMSD will pay MAW for time and materials, within 30 days of invoicing, with time being billed at \$150 per hour.

GMSD will assume responsibility for ensuring compliance with the E-Rate program and/or transferring all permits and/or pole attachment agreements, notification of appropriate entities, etc. GMSD will indemnify, defend and hold MAW harmless if the transfer is not permitted by E-Rate, FCC, or any other legal, governmental, administrative, regulatory, or other authority or body that has the power or authority to deny, prevent, or interfere with the transfer in any way. Beginning on May 31st, 2007, GMSD will indemnify, defend and hold MAW harmless, in perpetuity, from any and all legal actions, torts, suits, and any and all claims that may occur, that may be related to or are as a result of any portion of MAW facilities transferred to GMSD. GMSD will have no recourse whatsoever against MAW if the transfer is not approved or completed and no other term of this Settlement Agreement will be altered in any way because the transfer of the fiber link is not completed.

MAW certifies that there are no liens or encumbrances against the fiber link that is the subject of this paragraph.

5. E-Rate Credits. Following execution of this Settlement Agreement, and within twenty days thereof, MAW will apply to the USAC for the appropriate E-rate credits for all services invoiced as of such date, and not yet applied for, to the extent such invoices are to be paid by GMSD in accordance with this Settlement Agreement. Within thirty (30) days of receipt of E-rate credits by MAW, MAW will apply credits to the outstanding Toll Invoices and reimburse GMSD for the remaining amount of the E-rate credits. Any net E-rate credits to which GMSD may be entitled, and which have not already been applied for, will be applied for within twenty (20) days of settlement and reimbursement to GMSD will be made within thirty (30) days of receipt by MAW of such credits. To the extent MAW fails to reimburse GMSD for E-rate Credits within thirty (30) days of

receipt, interest will be accrued and be paid by MAW at the statutory interest rate.

MAW will cooperate with GMSD's efforts to transfer the right to receive E-rate credits directly to GMSD for E-rate credits to which GMSD may be entitled after termination of the Service Agreements on May 31, 2007 under the terms of this Settlement Agreement. MAW will sign paperwork required to complete such transfer of E-rate credits to the extent that it is not in violation of any legal or ethical requirements and to the extent that MAW is not being asked to make any false representations. MAW's cooperation will include executing documents necessary to conclude the transfer of the right to receive E-rate credits.

6. Execution of Agreement. Execution of this agreement, assuming MAW's equipment is undisturbed upon inspection, will occur on March 30th, 2007 at 2:00pm at the Education Center of the Governor Mifflin School District.

7. Equipment Inspection. MAW will perform an inspection of its equipment one hour prior to Execution of this Agreement as detailed in six (6.) above. A representative from GMSD shall meet MAW at Brecknoch Elementary at 1:00PM. We shall then proceed to the Intermediate School, then to the High School ending at the Education Center.

8. PA-One Call Issue. MAW reserves its right to pursue an action against Irish Creek Excavators related to Irish Creek's excavation and damage to MAW's facilities and will not indemnify GMSD should Irish Creek Excavators join GMSD in such action, whether for contribution or other purpose.

9. Removal of MAW Equipment. Except for MAW's Fiber Link non-electronic facilities (the Fiber Link is to be transferred to GMSD in accordance with four (4) above), all of MAW's facilities, including all electronic components, will be removed by MAW on or before June 30th, 2007. Any remaining MAW facilities on GMSD premises after June 30th, 2007, will become the property of GMSD with all provisions of four (4) above integrated herein. GMSD will make its facilities available between May 31st 2007 and June 30th, 2007 to enable MAW to remove such equipment. MAW shall provide twenty-four (24) hours notice to GMSD for such work. GMSD shall not touch, tamper with, or in any way interfere with MAW Communications facilities or equipment.

10. Confidentiality. This agreement is confidential and its terms are to be maintained in confidence except to the extent that governmental authorities or their agents, including USAC and Labor & Industry, require either party to provide the Settlement Agreement to carry out their responsibilities or other legal requirements. If the Settlement Agreement is required to be disclosed to the public, this confidentiality provision shall be of no force and effect and will not serve to otherwise invalidate this agreement. Absent required public disclosure, both MAW and GMSD agree to exercise their best efforts to maintain the

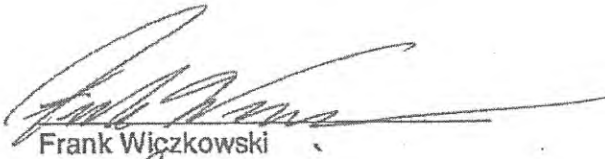
confidentiality of this agreement and such confidentiality will be extended to any and all representatives, employees and agents of both parties, to the extent disclosure is made to any such persons for a valid reason under this provision.

11. Termination of GMSD-MAW Service Agreements. Upon fulfillment of the terms of this Settlement Agreement, each of the GMSD-MAW Service Agreements will be considered terminated, and neither party will have any recourse as a result of these agreements. Further, this Settlement Agreement assumes that both parties will act in good faith to complete their obligations under its terms. Failure to fulfill the terms of this Settlement Agreement will be considered both a breach of this Agreement and of the underlying GMSD-MAW Service Agreements and will subject the defaulting party to the remedies specified in such service agreements.

12. Arbitration of Disputes. Should there be any dispute under the terms of this Settlement Agreement which cannot be resolved between the parties, the parties agree to arbitrate such dispute before a panel of three (3) arbitrators. The parties will each select one arbitrator, and the two selected arbitrators shall select a third. Costs of arbitrators, attorney's fees and costs will be borne by the non-prevailing party. The parties agree to make best efforts to hold the arbitration within two months of certified mail receipt of a "Notice of Dispute" pursuant to this agreement. Within 15 days of the Notice of Dispute, the parties may serve discovery questions and requests for documents in accordance with local court rules. Answers to such discovery shall be provided within fifteen days of receipt thereof.

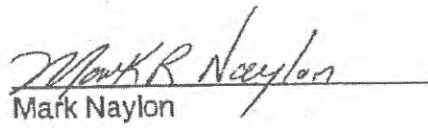
13. Integration. The terms of this Agreement represent the entire agreement of the parties and no terms which may have been discussed but which are not embodied in this Agreement are to be interpreted as being part of this Agreement. Furthermore, except to the extent that the Agreement specifically provides otherwise, each and every provision of this Agreement is to be interpreted to be a part of the whole and a default on one provision shall be considered a default of the whole.

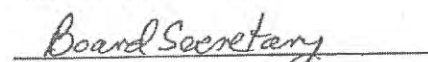
AND NOW, this 30th day of March 2007, agreeing to be bound thereby,
and with authority to act on behalf of each of the parties, the parties hereby agree
to the aforesaid terms of this Settlement Agreement.


Frank Wiczowski


Title

For: MAW Communications, Inc.


Mark Naylor


Title

For: Governor Mifflin School
District



Notification of Commitment Adjustment Letter

Funding Year 2001: July 1, 2001 - June 30, 2002

June 05, 2017

Diane Richards
GOVERNOR MIFFLIN SCHOOL DIST
10 South Waverly Street
Shillington, PA 19607 2642

| | |
|---|-------------------------------|
| Re: Form 471 Application Number: | 234111 |
| Funding Year: | 2001 |
| Applicant's Form Identifier: | GMSD0102Int |
| Billed Entity Number: | 126271 |
| FCC Registration Number: | 0012671756 |
| SPIN: | 143005547 |
| Service Provider Name: | MAW Communications Inc |
| Service Provider Contact Person: | Frank Wiczowski |

Our routine review of Schools and Libraries Program (SLP) funding commitments has revealed certain applications where funds were committed in violation of SLP rules.

In order to be sure that no funds are used in violation of SLP rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see <https://www.fcc.gov/encyclopedia/red-light-frequently-asked-questions>.

TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRNs) you are appealing. Your letter of appeal must include the
 - Billed Entity Name,
 - Form 471 Application Number,
 - Billed Entity Number, and
 - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

We strongly recommend that you use one of the electronic filing options. To submit your appeal to USAC by email, email your appeal to appeals@sl.universalservice.org or submit your appeal electronically by using the "Submit a Question" feature on the USAC website. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Program - Correspondence Unit
30 Lanidex Plaza West
PO Box 685
Parsippany, NJ 07054-0685

For more information on submitting an appeal to USAC, see "Appeals" in the "Schools and Libraries" section of the USAC website.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letters" posted at <http://www.usac.org/sl/tools/samples.aspx> for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with SLP rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Program
Universal Services Administrative Company

cc: Frank Wiczowski
MAW Communications Inc

**Funding Commitment Adjustment Report for
Form 471 Application Number: 234111**

| | |
|--|------------------------|
| Funding Request Number: | 547639 |
| Services Ordered: | INTERNET ACCESS |
| SPIN: | 143005547 |
| Service Provider Name: | MAW Communications Inc |
| Contract Number: | N/A |
| Billing Account Number: | 6103961050 |
| Site Identifier: | 126271 |
| Original Funding Commitment: | \$50,704.00 |
| Commitment Adjustment Amount: | \$50,704.00 |
| Adjusted Funding Commitment: | \$0.00 |
| Funds Disbursed to Date | \$50,704.00 |
| Funds to be Recovered from Applicant: | \$50,704.00 |
| Funding Commitment Adjustment Explanation: | |

After a thorough review, it was determined that the funding commitment for this request must be rescinded in full. During a review, it was determined that funding was provided for the following ineligible items: WAN was constructed or purchased using E-rate funds. The pre-discount ineligible cost associated with these items is \$126,760.00. At the applicants 40 percent discount rate, this resulted in an improper commitment of \$50,704.00. FCC rules provide that funding may be approved only for eligible products and/or services. The USAC web site contains a list of eligible products and/or services. See the web site, www.usac.org/sl/about/eligible-services-list.aspx for the Eligible Services List. USAC has determined that both the service provider and the applicant are responsible for this rule violation. Accordingly, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the service provider and the applicant.